

### King County Auditor's Office

Wendy Soo Hoo, Senior Management Auditor July 26, 2005





#### **Presentation Outline**

- General Conclusions
- Introduction and Background
- Audit Objective
- Findings and Recommendations
- Summary of Executive Response





- Implementation of recommendations from our 2004 study led to efficiencies and reduced unit costs.
- However, the county records center inventory is near capacity and net inventory growth is expected to continue.
- We recommended improved planning to accommodate growth.





### Introduction and Background

- In 2004, the city and county auditors' offices conducted a joint study to explore records storage partnering opportunities.
- The study identified recommendations for independent operational improvements and a potential partnering opportunity:
  - Implement incentives to encourage timely records disposal.
  - Consider expanding use of private records storage.
  - Consider a joint purchase of a new records center software system.





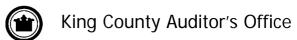
### Follow-Up Review Objective

The objective of the follow-up review was to evaluate the County Archives and Records Management Section's progress in implementing the recommendations from the 2004 study.



# Conclusion 1: Incentives Implemented to Promote Timely Records Disposal

- 2004 Recommendation: The Department of Executive Services should consider incentives to encourage timely records disposal.
- Follow-Up Review Conclusion: Records center now informs agencies that records with expired retention schedules will be returned.
  - As a result, agencies improved timeliness in responding to disposition requests, increasing effective utilization of storage capacity.





- Historically, inventory has increased by a net of about 2,000 boxes per year. Current inventory is about 104,000 boxes.
  - Total capacity is about 105,700 boxes—including budgetary capacity to store 10,000 boxes with the county's private vendor.
  - Inventory utilizes 99 percent of county's total inhouse and private storage capacity.
- We could not evaluate whether improved disposition practices were effective in reducing net inventory growth.





# Conclusion 2: County's Use of Private Records Storage Increased

- 2004 Recommendation: The county should consider options for storing records with cost-effective private vendors.
- Follow-Up Review Conclusion: Records center management increased the county's use of cost-effective private storage services and also improved space utilization at its main warehouse.
  - These improvements allowed the records center to increase capacity, expand service levels, and reduce per-box cost by 16 percent from 2003 to 2005.



# Conclusion 3: Joint Software Purchase No Longer Relevant

- 2004 Recommendation: The city and county should consider negotiating a joint purchase of a new records center software system.
- Follow-Up Review Conclusion: City and county software requirements are no longer compatible, so this recommendation is no longer relevant.
  - However, the county shared its current, nonproprietary inventory database with the city at no cost. The city agreed to share any improvements it initiates with the county.





#### Issue for Further Consideration

- A records center management plan has not been developed.
  - Future capacity requirements or initiatives that could impact operations are not being assessed
- Three factors could impact records storage inventory and capacity requirements:
  - Improved disposition practices;
  - County agencies' electronic records management initiatives; and
  - New alternatives for storing paper records





### Follow-Up Recommendation

- Records center management should develop a management plan that:
  - Addresses inventory and capacity issues;
  - Establishes targets for restricting inventory growth;
    and
  - Evaluates the cost-effectiveness of options.
- The plan should also consider any county initiatives that could impact records center operations, and assess the impacts of the initiatives on facility needs.





## Summary of Responses

- The Executive concurred with the recommendation and agreed to develop a records storage management plan.
- Implementation of the plan is scheduled for June 2006.





### Records Storage Follow-Up Review

The Auditor's Office sincerely appreciates the cooperation received from the Department of Executive Services Archives and Records Management Section management and staff.